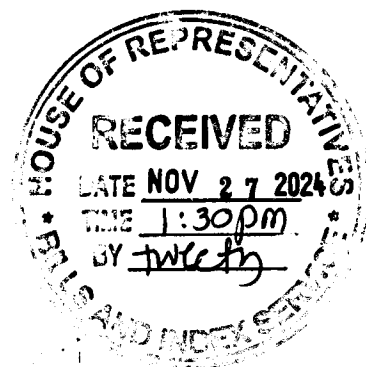


Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Congress of the Philippines  
Quezon City

19<sup>th</sup> Congress

Third Regular Session

HOUSE RESOLUTION NO. 2102



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Introduced by:  
REPRESENTATIVES ROBERT RAYMUND M. ESTRELLA;  
DANILO S. FERNANDEZ; ROMEO S. MOMO SR.;  
JOSE ARTURO "JOJO" S. GARCIA, JR.; ROY M. LOYOLA

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**RESOLUTION DIRECTING THE COMMITTEE ON PUBLIC ACCOUNTS AND  
OTHER APPROPRIATE COMMITTEES OF THE HOUSE OF  
REPRESENTATIVES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,  
INTO THE ALLEGED MISUSE OF PUBLIC FUNDS AND IRREGULARITIES IN  
THE OPERATIONS OF THE OFFICE OF THE MAYOR AND VICE MAYOR OF  
THE MUNICIPALITY OF MATAAS NA KAHOY, BATANGAS, UNDER MAYOR  
JANET ILAGAN AND VICE MAYOR JAY MANALO ILAGAN**

**WHEREAS**, Section 1, Article XI of the 1987 Philippine Constitution declares that public office is a public trust, and public officers and employees must, at all times, be accountable to the people by serving with utmost responsibility, integrity, loyalty, and efficiency, and by upholding patriotism and justice while leading modest lives;

**WHEREAS**, public trust is the foundation of good governance, and any breach of this trust, particularly in the management and utilization of public funds, compromises the delivery of basic services and the overall welfare of constituents;

**WHEREAS**, reports from the Commission on Audit (COA) reveal significant irregularities in the operations of the Office of the Mayor and Vice Mayor of the Municipality of Mataas na Kahoy, Batangas, under Mayor Janet Ilagan and Vice Mayor Jay Manalo Ilagan, including misuse of public funds, non-implementation of critical infrastructure and social projects, and violations of existing laws, rules, and regulations governing financial management and public accountability;

**WHEREAS**, additional reports and testimonies have raised further concerns about governance and the management of public resources in the Municipality of Mataas na Kahoy, which include the following:

1. The Local Government Unit (LGU) acquired a 16,337.4 sqm property in Brgy. San Sebastian for ₱13,520,530.00, intended for the PAGCOR Village. However, the site is unsuitable for the planned development due to its hilly terrain and proximity to Taal Volcano, contrary to safety guidelines for relocation sites or evacuation centers. Questions persist regarding the sudden availability of funds and potential overpricing.
2. Financial donations received during the Taal Volcano eruption in 2020 were allegedly mismanaged, with reports of relief goods stockpiled at the private farm of the spouses Ilagan and left to expire or rot, instead of being distributed promptly to affected residents.
3. Budget reallocation under the current administration raised concerns, with allegations of overpricing, unnecessary land acquisitions, and improper monitoring of road projects in remote barangays. Vice Mayor Jay Ilagan was allegedly involved as a land agent in some transactions, posing a conflict of interest.
4. The construction of facilities such as the Super Rural Health Unit, Dialysis Center, and Kadiwa Center remain incomplete. Questions regarding the legitimacy of the land donation for these projects necessitate further investigation.
5. The Mataas na Kahoy Central School gymnasium was completely demolished despite only the roof being damaged. Allegations suggest that the materials from the demolition were delivered to a junk shop owned by the late Rey Ilagan, the brother of Vice Mayor Jay Ilagan.
6. Several residents have revealed the unauthorized collection of waste/garbage fees in the Municipality of Mataas na Kahoy, Batangas, which was allegedly done without the necessary ordinance required by law, constituting a violation of legal procedures and raising serious concerns about transparency, accountability, and the misuse of authority.

**WHEREAS**, these allegations, if proven true, constitute grave breaches of public trust, dereliction of duty, and misuse of authority, undermining the principles of transparency, efficiency, and accountability enshrined in the Constitution and other relevant laws;

**WHEREAS**, findings from the COA audit reports for fiscal years 2021, 2022, and 2023 indicate a pattern of mismanagement, inefficiency, and non-compliance with accounting and procurement standards, specifically highlighting issues such as:

1. Delayed or unimplemented projects under the 20% Development Fund amounting to Php22,391,812.87, denying the public access to much-needed infrastructure and social development initiatives;
2. Idle and unutilized funds totaling Php30,327,381.20, including Php30 million intended for the PAGCOR Village construction project, leading to wasted opportunities and delayed public service delivery;
3. Delay in the return of unutilized fund balances transferred to the Municipality, depriving the national government of the scarce resources for its operations;

4. Irregularities in contract extensions for infrastructure projects amounting to Php4,666,652.58, in violation of procurement laws, creating an environment conducive to inefficiency and potential corruption;
5. Payment of wages below the minimum wage for 120 Job Order personnel, in violation of labor laws;
6. Unaccounted receipt and utilization of COVID-19 vaccines allocated by the Department of Health (DOH), raising serious concerns over transparency in managing life-saving resources during a public health crisis;
7. Recurring discrepancies in financial records related to Property, Plant, and Equipment (PPE) amounting to millions of pesos, undermining the reliability of the Municipality's financial reporting; and
8. Lapses in internal control mechanisms and non-compliance with COA regulations and international public sector accounting standards, compromising the integrity and transparency of local governance.

**WHEREAS**, the alleged actions of Mayor Janet Ilagan and Vice Mayor Jay Manalo Ilagan, as described in reports, may constitute violations of Republic Act No. 3019, or the Anti-Graft and Corrupt Practices Act;

**WHEREAS**, the allegations of irregularities, such as overpricing, unnecessary land acquisitions, conflicts of interest, and unauthorized collection of fees, suggest potential violations of Republic Act No. 9184, or the Government Procurement Reform Act;

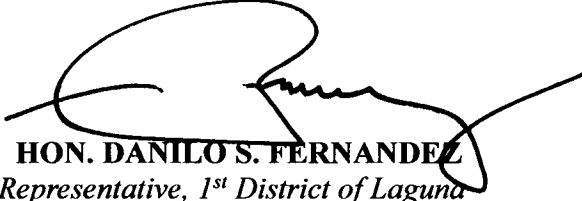
**WHEREAS**, these potential violations highlight serious lapses in financial management and procurement processes, which undermine public trust and confidence in the LGU of Mataas na Kahoy, Batangas, and necessitate legislative action to ensure accountability and adherence to applicable laws;

**WHEREAS**, the House of Representatives must ensure that measures are taken to address these lapses and prevent similar incidents, thereby safeguarding public funds and promoting the efficient and transparent use of government resources for the welfare of the people;


**NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved, to direct the Committee on Public Accounts and other appropriate committees of the House of Representatives to conduct an inquiry, in aid of legislation, into the alleged misuse of public funds and operational irregularities in the Office of the Mayor and Vice Mayor of the Municipality of Mataas na Kahoy, Batangas, under Mayor Janet Ilagan and Vice Mayor Jay Manalo Ilagan.

*Adopted,*

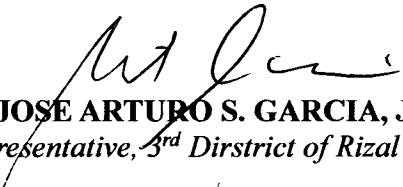
  
**HON. ROBERT RAYMUND M. ESTRELLA**  
*Representative, Abono Party-List*



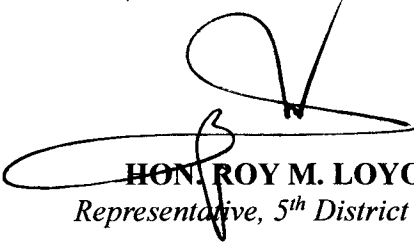
**HON. DANILO S. FERNANDEZ**  
*Representative, 1<sup>st</sup> District of Laguna*



**HON. ROMEO S. MEMO SR.**  
*Representative, 3<sup>rd</sup> District of Surigao del Sur*



**HON. JOSE ARTURO S. GARCIA, JR.**  
*Representative, 3<sup>rd</sup> District of Rizal*



**HON. ROY M. LOYOLA**  
*Representative, 5<sup>th</sup> District of Cavite*